



JAMES A. NOYES, Director

COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

900 SOUTH FREMONT AVENUE
ALHAMBRA, CALIFORNIA 91803-1331
Telephone: (626) 458-5100
www.ladpw.org

ADDRESS ALL CORRESPONDENCE TO:
P.O. BOX 1460
ALHAMBRA, CALIFORNIA 91802-1460

June 3, 2002

IN REPLY PLEASE
REFER TO FILE: PD-2

TO: Each Supervisor

FROM: James A. Noyes
Director of Public Works

TRANSPORTATION FUNDING - ASSEMBLY BILL (AB) 2928 STATUS REPORT

As previously reported, Governor Gray Davis signed AB 2928 into law on July 6, 2000, which provides over \$150 million of additional funding to the County through Fiscal Year (FY) 2005-06 for the rehabilitation of County-maintained streets and roads within unincorporated areas. This legislation also included a "use-it-or-lose-it" provision, which requires that monies be expended by June 30 of the following fiscal year in which it was received. If a jurisdiction fails to meet these deadlines, the monies must be returned to the State Controller and redistributed to compliant jurisdictions. Our FY 2000-01 funding allocation was \$39 million, which increased to \$42 million with interest. Consequently, this \$42 million is required to be spent by June 30, 2002.

We are pleased to report that we will not be in jeopardy of returning funds under the State's "use-it-or-lose-it" provisions. From July 1, 2000, through April 30, 2002, we have spent \$37.5 million on support and contract costs for this program and have awarded, but not spent, \$24.2 million in contracts. We evaluated current cash flow and have determined that by June 30, 2002, we will have spent a total of \$46 million for projects under the AB 2928 program. The \$4 million difference between our expenditures and the FY 2000-01 allocation (\$46 million less \$42 million) will be applied towards our FY 2001-02 allocation of AB 2928 funds.

If you have any questions, please call me or your staff may contact Mr. Ronald J. Ornee, Chief Deputy Director, at (626) 458-4002.

HG:li

C012245A:\AB2928SUPV.wpd

cc: Chief Administrative Office
Executive Office